



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF

SEP 26 2005

(AE-17J)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Julius Essenburg, President
Holland Terminal, Inc.
630 Ottawa Avenue
Holland, Michigan 49423

Re: Notice of Violation
Holland Terminal, Inc.
Holland, Michigan

Dear Mr. Essenburg:

The United States Environmental Protection Agency (U.S. EPA or we) is issuing the enclosed Notice of Violation (NOV) to Holland Terminal, Inc. (you) under Section 113(a)(1) of the Clean Air Act (the Act), 42 U.S.C. § 7413(a)(1). We find that you are violating the Michigan State Implementation Plan at your Holland, Michigan facility.

Section 113 of the Act gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order, and bringing a judicial civil or criminal action. The options we select may depend on, among other things, the length of time you take to achieve and demonstrate continuous compliance with the rules cited in the NOV.

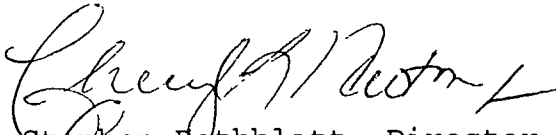
We are offering you an opportunity to confer with us about the violations alleged in the NOV. The conference will give you an opportunity to present information on the specific findings of violation, any efforts you have taken to comply, and the steps you will take to prevent future violations.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The U.S. EPA contact in this matter is Ray Cullen. You may call him at (312) 886-0538 to request a conference. You should make

the request as soon as possible, but no later than 10 calendar days after you receive this letter. We should hold any conference within 30 calendar days of your receipt of this letter.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Stephen Rothblatt".

Stephen Rothblatt, Director
Air and Radiation Division

Enclosure

cc: Heidi Hollenbach, District Supervisor
Grand Rapids District
State Office Building, 6th Floor, Unit 10
350 Ottawa Avenue
Grand Rapids, Michigan 49503-2341

IN THE MATTER OF:)
)
Holland Terminal, Inc.) **NOTICE OF VIOLATION**
Holland, Michigan)
) **EPA-5-05-MI-11**
Proceedings Pursuant to)
Section 113(a)(1) of the)
Clean Air Act, 42 U.S.C.)
§ 7413(a)(1))

The United States Environmental Protection Agency (U.S. EPA) is issuing this Notice of Violation under Section 113(a)(1) of the Clean Air Act (the Act), 42 U.S.C. § 7413(a)(1). U.S. EPA finds that Holland Terminal, Inc. (HT) is violating the Michigan State Implementation Plan (SIP) as follows:

1. On May 31, 1972, U.S. EPA approved R336.1910 as part of the federally enforceable Michigan SIP (37 Fed. Reg. 10842). On May 6, 1980, R336.1910 was revised and became federally effective (45 Fed. Reg. 29790).
2. R336.1910 requires that an air-cleaning device be installed, maintained, and operated in a satisfactory manner and in accordance with the Michigan SIP and existing laws.
3. On July 26, 1982, U.S. EPA approved R336.1604 as part of the federally enforceable Michigan SIP (47 Fed. Reg. 32116). On August 25, 1982, R336.1604 became federally effective.
4. R336.1604 applies to the storage of organic compounds having a true vapor pressure of more than 1.5 psia, but less than 11 psia, in existing fixed roof stationary vessels of more than 40,000 gallon capacity.
5. "Organic compound" is defined in R336.1115 as any compound of carbon or mixture of such compounds, excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, boron carbide, silicon carbide, ammonium carbonate, ammonium bicarbonate, methane, and ethane.

6. R336.1604(1)(a) states that after April 30, 1981, it is unlawful for a person to store any organic compound having a true vapor pressure of more than 1.5 psia, but less than 11 psia, at actual storage conditions in any existing fixed roof stationary vessel of more than 40,000 gallon capacity, unless the vessel is a pressure tank capable of maintaining working pressures sufficient to prevent organic vapor or gas loss to the atmosphere at all times, except under emergency conditions.

FACTUAL BACKGROUND

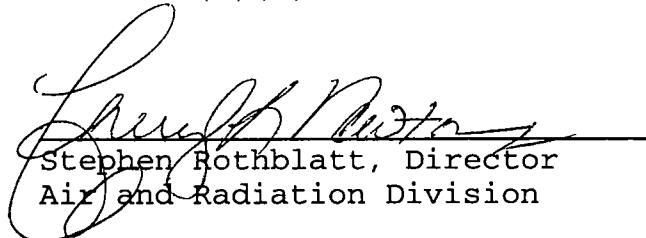
7. HT owns and operates a bulk petroleum distribution terminal at 630 Ottawa Avenue, Holland, Michigan.
8. The HT facility consists of a dual lane loading rack, six large petroleum storage tanks, of which one is a variable vapor-space tank, a vapor recovery unit (VRU), and several small storage tanks.
9. Tanks #2 and #4 store No. 2 fuel oil, Tanks #1, #5, and #6 store regular unleaded gasoline, and Tank #3 stores premium unleaded gasoline.
10. Vapors from Tanks #1, #5, and #6, along with vapors from tanker trucks at the loading rack, vent through a closed-loop system to Tank #3, the variable vapor-space tank.
11. The variable vapor-space tank is connected to the VRU, a dual bed carbon adsorber, which is activated automatically when the roof of the variable vapor-space tank reaches two-thirds of its total travel height and is activated manually whenever HT receives petroleum product.
12. On October 2, 2003, the John Zink Company (JZC), the manufacturer of the VRU, took carbon samples from both beds in the VRU.
13. According to an October 6, 2005 letter to HT from JZC, Beds A and B contained 7.5% and 6.2% by weight of particles smaller than 35 mesh, respectively, and had a higher than acceptable dust content.
14. The VRU contains carbon containment screens of 40 mesh size. According to JZC, in order for the VRU to operate satisfactorily, each carbon bed must contain no more than 5% by weight of carbon particles smaller than 35 mesh.

15. HT did not replace the carbon in the VRU beds until some time between March 28, 2005 and April 3, 2005.
16. Tanks #1, #3, #5, and #6 are greater than 40,000 gallons and store organic compounds with a true vapor pressure between 1.5 and 11 psia.
17. During an inspection of the facility on June 9, 2005, U.S. EPA discovered organic vapor leaks from an 8" sample well cover & cap on Tank #1, a 24" bolted gasketed well cover on Tank #3, and a 24" bolted gasketed manhole cover on Tank #6.
18. During the June 9, 2005 inspection, U.S. EPA discovered a liquid gasoline leak from a vacuum pump used by Tanks #5 and #6 to supply gasoline to the loading rack.
19. According to its August 5, 2005 response to an Information Request issued by U.S. EPA on July 15, 2005, HT discovered a 10" Shand & Jurs emergency vent on Tank #1 leaking organic vapor on April 14, 2005 and put stainless steel flange bands on two flanges on the vapor lines near Tank #3 on January 30, 2003 to stop small leaks.
20. The leaks described in paragraphs 17 through 19 above occurred during normal facility conditions.

VIOLATIONS

21. HT failed to maintain and operate the VRU in a satisfactory manner. This is in violation of R336.1910.
22. HT failed to maintain its storage tanks at working pressures sufficient to prevent organic vapor loss to the atmosphere. This is in violation of R336.1604(1)(a).

9/26/05
Date


Stephen Rothblatt, Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Shanee Rucker, certify that I sent a Notice of Violation,
No. EPA-5-05-MI-11, by Certified Mail, Return Receipt Requested,
to:

Julius Essenburg, President
Holland Terminal, Inc.
630 Ottawa Avenue
Holland, Michigan 49423

I also certify that I sent copies of the Notice of Violation
by first class mail to:

Heidi Hollenbach, District Supervisor
Grand Rapids District
State Office Building, 6th Floor, Unit 10
350 Ottawa Avenue
Grand Rapids, Michigan 49503-2341

on the 26th day of September, 2005.

Shanee Rucker
Shanee Rucker,
Administrative Program Assistant
AECAS, (MI/WI)

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0006 1447 8799